Will Jordan Be the First Arab Monarchy to Fall?

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Why Obama needs to focus on corruption to save America's most reliable Arab ally.

This piece is part of "Obama and the Middle East: Act Two," a series of policy proposals for the president's second term by Washington Institute fellows.

Two years into the so-called "Arab Spring," the tally is grim for Middle East republics. To date, three nominally republican governments have been toppled, and a fourth -- Syria -- promises to follow in 2013. Despite longstanding governance problems and human rights abuses, the Arab monarchies have largely been spared from the popular revolts that dislodged their autocratic neighbors. Until now this monarchy "red line" has served U.S. interests. After all, Washington would benefit little from a cascade of friendly kingdoms and emirates falling like dominos only to be replaced by inimical Islamist regimes.

But the monarchy red line will not last forever, and Washington will face a series of new strategic challenges when and if this threshold is crossed. The end of the monarchy in Jordan would constitute a particularly serious blow to U.S. interests. Should the regime fall, Washington would lose its best remaining Arab ally, and Israel would lose its last reliable peace partner.

Historically, the regime has been able to weather popular discontent by relying on the support of East Bankers -- Jordanians who inhabited the area before the arrival of the first Palestinian refugees in 1948, and who have stood by the Hashemite regime out of fear that a revolution could bring to power the Palestinian-origin majority. But for the past two years, the kingdom has been contending with persistent protests focused on the sluggish economy and corruption -- an issue that may, for the first time, unite East Bankers with Palestinian-origin protesters. While Jordan's perennially feeble economy will take some time to improve, in order to ensure the long-term survival of the monarchy, Washington should encourage King Abdullah to take bold steps now to root out the corruption and insulate his regime.

Transparency International ranks Jordan 58 out of 176 countries on its annual "Corruption Perception Index," among the best scores in the Middle East. Still, corruption is a hot button issue in Jordan, a topic that resonates with both the monarchy's traditional tribal supporters and Islamist detractors. In Jordan, a small state where gossip travels quickly and where internet penetration is high, reports of graft and of palace excess have become ubiquitous over the last decade.

Ask Jordanians about corruption and they will lament the absence of transparency in sales of government lands -- the Amman headquarters of the Jordanian Armed Forces and the near-sale of the King Hussein Medical Center, for example -- and the non-competitive privatization process of the national phosphate industry. They will complain about a lack of accountability for the enormous financial penalty associated with the signing and subsequent cancellation of a government concession to establish a casino on the shores of the Dead Sea. You might even hear about Khaled Shaheen, a convicted businessman serving three years in prison for graft, who inexplicably was permitted to leave Jordan for extended medical treatment in the U.S. -- until he was subsequently observed shopping with his family at Harrods in London.

Alas, Jordanians are a patient bunch, but the Arab awakening has been toxic to the kingdom's long-anemic economy. Facing a nearly 30 percent budget deficit this year, in November 2012 the government announced that in line with its International Monetary Fund obligations, it would slash food and energy subsidies. The austerity decision, exacerbated by perceived palace excesses, prompted some to call for a "revolution."

To be sure, while protests in the kingdom -- demanding economic relief, more subsidies, political liberalization,
and an end to corruption -- have been routine and persistent since early 2011, the demonstrations have not come close to reaching critical mass. At least initially, King Abdullah was able to diffuse rallies via a combination of deficit spending and a process of limited but serious constitutional reform. It also seems that fear of chaos a la Syria demobilized many would-be Jordanian protestors. The king has likewise contained the opposition through other forms of non-lethal pressure, including a sustained campaign of arrests.

But the trend line is not assuring. Most troubling, over the past 18 months a persistent opposition coalition has emerged that includes not only the monarchy's enduring Islamist detractors, but also a growing number of "East Bankers." Although the sentiments of these groups, known as Al Hirak, or "The Movement," may not yet be widespread among the kingdom's tribes, its members are tenacious and have been downright irreverent in their critiques of King Abdullah, violating every convention and law on the books in Jordan prohibiting defamation of royals.

Most famously, Hirak demonstrators from Tafilah province and the Tafilah neighborhood of Amman -- areas known for their loyalty to the monarchy -- have taken to dancing the Dabka al Fasad, a traditional local two-step, accompanied by protests accusing the king and his family of corruption, going so far as to describe the sovereign as "Ali Baba and the 40 thieves." Some royalists have even called for King Abdullah to be deposed and replaced by his younger half-brother, Prince Hamza.

Washington has a clear interest in doing whatever it can to ensure the continued survival of the monarchy. While Jordan cannot turn back on its current course of belt tightening, the Obama administration can help ease the pain by convincing the Gulf Cooperation Council -- which in 2011 committed to giving Jordan $5 billion over five years -- to provide immediate budgetary support, including cash to the king, to help him shore up his tribal base.

More importantly, certainly in terms of popular perception, Washington should press King Abdullah to pursue a real anti-corruption campaign, one that would remove the "corruption files" from the secrecy of the parliament to a more transparent venue. The largely symbolic steps taken to date -- some parliamentary hearings about the Dead Sea casino scandal, the arrest of the mayor of Amman, and the conviction and sentencing of a former intelligence chief to 13 years of hard labor -- have been insufficient to restore confidence.

In early January, Jordan took the unprecedented step of issuing an arrest warrant for King Abdullah's fugitive uncle, Walid al Kurdi, who stands accused of embezzling hundreds of millions from Jordan's phosphate industry. A public trial of the royal could go a long way toward reassuring the public -- and particularly the monarchy's East Banker constituency -- of the king's commitment to fighting corruption. Washington should encourage King Abdullah to see through this and other public corruption trials, with an eye toward improving the monarch's tarnished image at home and his chances of surviving the current regional turmoil.

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